



MANAGER'S BUDGET MESSAGE



MIAMI-DADE COUNTY, FLORIDA

GEORGE M. BURGESS
COUNTY MANAGER

July 9, 2004

Honorable Alex Penelas
Mayor

Honorable Commission Chair Barbara Carey-Shuler, Ed.D. and Members, Board of County Commissioners

Dear Mayor Penelas, Commission Chair Carey-Shuler, and County Commissioners:

In accordance with the Home Rule Charter and State law, I am submitting for your consideration the recommended FY 2004-05 Proposed Resource Allocation and Multi-Year Capital Plan. I am extremely pleased that, with your guidance and the participation of my staff, department directors, and employees throughout the County, this document is a Resource Allocation Plan that takes a significant step towards realizing a results-oriented government and emphasizes our philosophy of providing our government services based on the priorities established in the County's Strategic Plan.

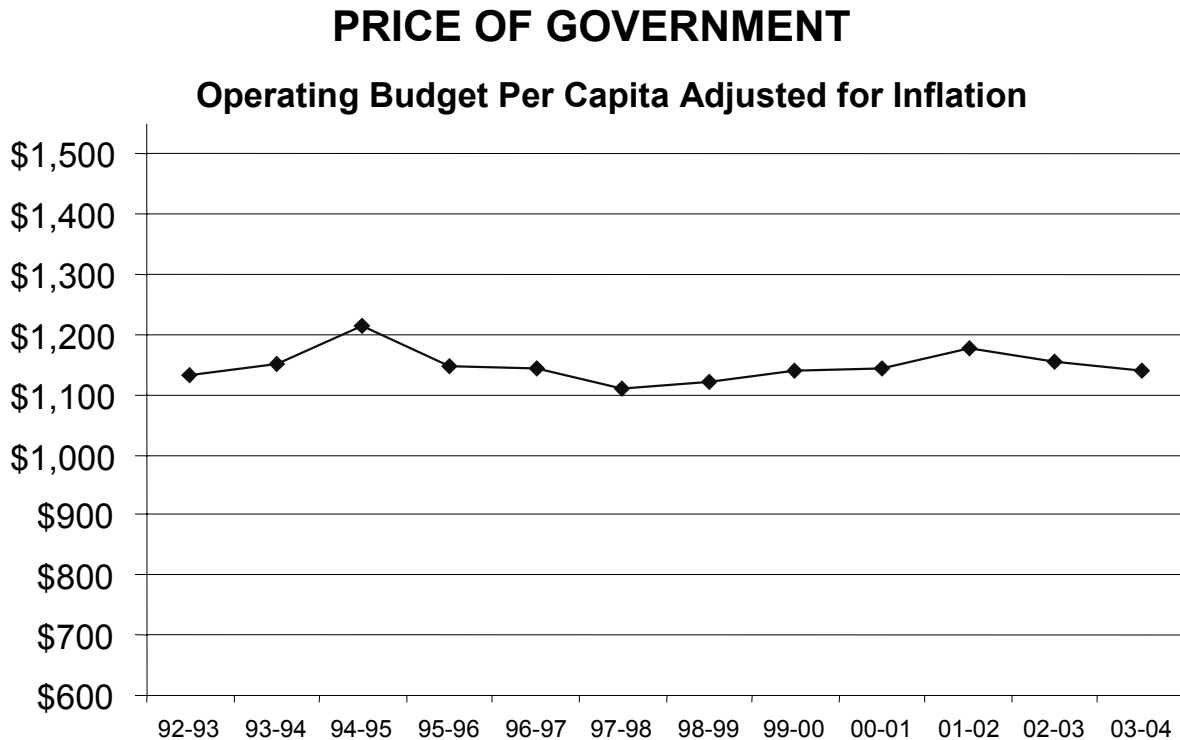
The process for allocating resources for FY 2004-05 has been accomplished through a philosophical framework that I outlined in my January 30, 2004, Recommended Budget Priorities memorandum:

- aligning services to focus on long-range strategic goals;
- realigning the organizational structure and business processes to reduce unnecessary administration and bureaucracy while maintaining necessary checks and balances;
- using technology in a sound business manner to provide customer service at lower costs;
- maintaining financial stability, matching the cost of services to available revenues, reducing the reliance on non-recurring revenues; and
- implementing a results-oriented government, achieving objectives in the most efficient and effective ways.

Developing an effective plan based on this framework and within the constraints of our fiscal environment has been challenging. I believe this plan addresses the priorities of our community, while emphasizing excellence in service provision, fiscal responsibility, and accountability. I have targeted certain service areas for improvements that will generate results that matter to our constituents, as well as focused resources for our employees to enable us to get the job done better. This plan also takes the first steps towards improving the problems in our fiscal structure that must be repaired over time.

THE FISCAL ENVIRONMENT AND RECOMMENDED MILLAGE RATES

As the following graph shows, the per capita cost of Miami-Dade County government, adjusted for inflation, has been relatively constant since FY 1992-93.



Furthermore, the per capita General Fund is 30 percent less than the per capita FY 1992-93 General Fund adjusted for inflation, contractual personnel cost growth, and the cost increases for health insurance. That difference is illustrated in the graph on the next page.

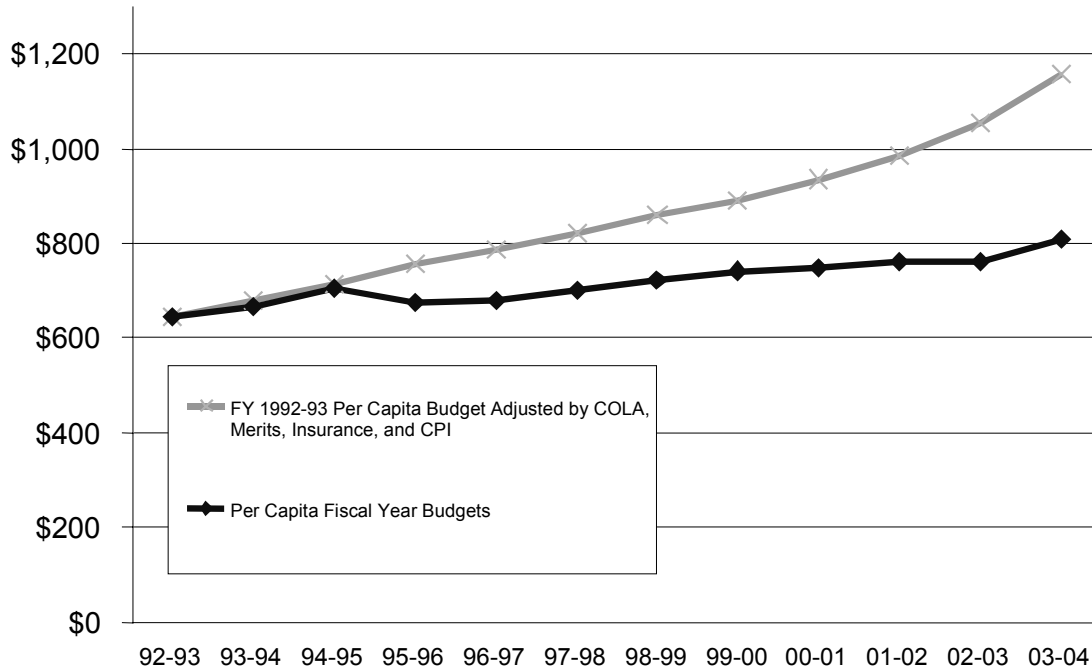
On an actual basis, however, annual cost increases - inflation, personnel costs, and health insurance costs - have outpaced the annual increases in our revenues, creating a structural imbalance between revenues and costs. Most organizations share a similar experience and the process of “balancing the budget” closes the gap each year. To stop perpetuating a structural imbalance, the budget must be balanced with recurring revenues and expenditure reductions.

At the same time that the cost of maintaining service levels has outstripped revenues, the scopes of certain County programs have increased dramatically. For example, countywide elections that were \$1 million in November 2000, now cost over \$3 million; new parks and park programs have opened and need to be maintained and staffed; new fire rescue services have been introduced throughout the Fire Rescue District; more roadway lane miles and traffic signals are in place; new requirements have been placed on water quality and wastewater treatment; and new libraries have been opened.

The State has continued to transfer costs to the County or reduced historical revenue streams in order to address the demands of the State budget. For example, State grants for recycling tires have been eliminated (\$250,000) and state grants for Libraries have been reduced by \$900,000 over two years. Also, the \$60 million in savings expected from Revision 7 to Article V of the State Constitution regarding the State Court System has been reduced to less than

\$7 million, including the State mandate that the County absorb the cost of pretrial juvenile detention, estimated to be \$11.7 million. Over the past several years, the State has increased the County's mandated share of Medicaid costs, which were already growing because of increased medical care costs and because of increased usage. The County's share of Medicaid costs in FY 1998-99 was \$25 million and is projected at \$53.4 million for FY 2004-05, a greater than two-fold increase.

Price of Government General Fund Budget Per Capita



Federal grant funding has also been reduced or eliminated. For example, the Law Enforcement Block Grant has been reduced from \$2.3 million in FY 2003-04 to \$974,000 projected for FY 2004-05. Also, the grants used to fight drug use in public housing have been eliminated (\$2.6 million). Similarly, the per unit allocation to the Housing Agency for public housing has been reduced by \$130 per unit, or approximately \$1.223 million from FY 2002-03 to FY 2003-04 and the Housing Agency is projecting a further reduction of \$122,000 in FY 2004-05. Although we are implementing revenue maximization programs and seeking new state and federal grants, the process will take time, and the results are not guaranteed. Even for some grant programs that continue to receive the same level of funding as in previous years, such as the Head Start program and Self-Help Institute, maintaining the same level of service will cost the County more, because the grants are not keeping pace with inflation and cost of living increases.

Over the past several years, various methods have been used to meet new service demands and to offset increased costs of operations. We have implemented efficiencies and reduced overhead. We have also outsourced work, reduced service levels, and increased demands on our workforce. For example, in 1984, the Public Works signal maintenance crews had a workload of 378 signals per full-time employee; today the ratio is 503 signals per full-time employee. Similarly, in 1984, the Park and Recreation Department averaged 8.25 acres per full-time employee; today the ratio is 10.23 acres per full-time employee. We have fewer staff in the neighborhood service and community enrichment centers administered by the Department of Human Services and the Community Action

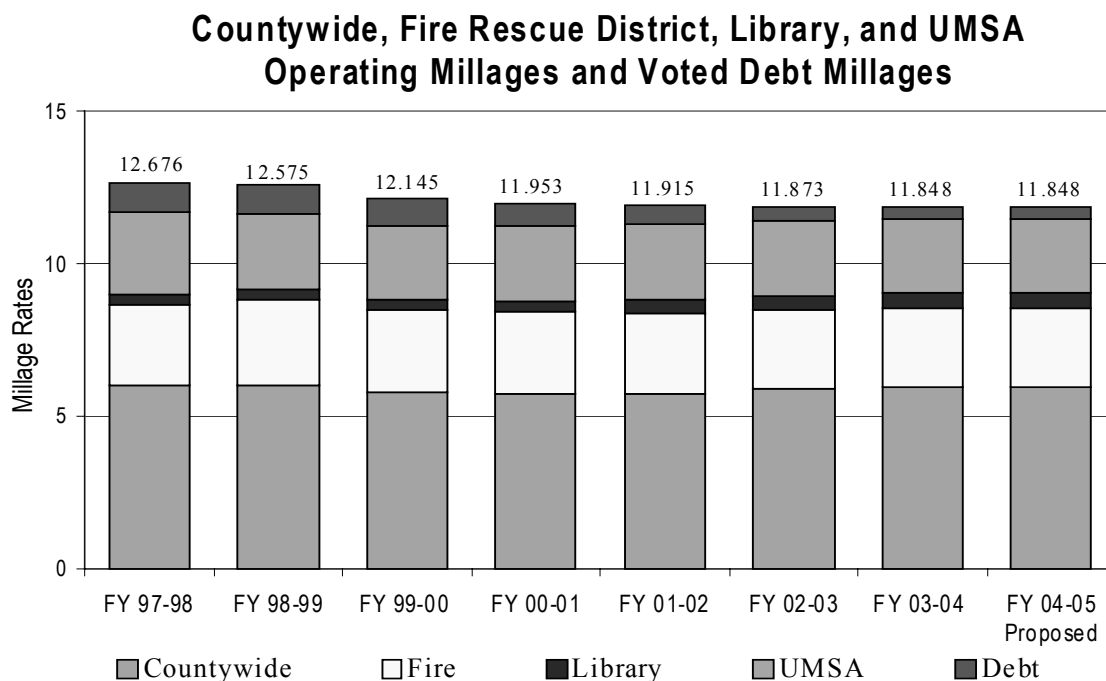
Agency. In Team Metro, the population per neighborhood code enforcement officer in 2000 was 15,440. Today, the ratio is 18,130 per neighborhood code enforcement officer.

In order to maintain service levels, in past years we have capitalized eligible on-going maintenance programs in the Public Works Department and Transit Agency rather than using the capital funds for new projects, facilities, and equipment. In many cases, such as in the General Services Administration, Water and Sewer, Park and Recreation, and Public Works departments, in particular, we have deferred maintenance and repairs of existing facilities. We have reduced the resources provided for employee training. Such efforts are often "pennywise and pound foolish."

In the past, we also have increased selected fees and charges. In the case of libraries, we have increased the millage rate; and in the case of all property tax supported programs, we have benefited from a period of exceptional growth in tax rolls, which has allowed us additional revenues and the ability to reduce property tax millage rates. In addition, we have used limited-term revenues, such as trust fund balances and carried-over funds as part of the operating budget revenues.

Over the past several years, charges to proprietary departments for internal administrative support and other services have increased to levels that are, in my view, excessive. It is my goal to reduce, over the next several years, those transfers to the level that reflects an appropriate distribution of indirect costs. For example, in FY 2003-04, a portion of the staff in my office was funded directly by certain operating departments; in the Proposed Resource Allocation Plan, all staff in my Office are supported by the General Fund. Overall, in FY 2003-04, administrative support and other payments to the general fund averaged 5.28 percent of the total budgets for proprietary departments; in FY 2004-05, that percentage is recommended at 4.68 percent, a 11.33 percent reduction.

In preparing the Recommended Resource Allocation Plan, we have taken a more conservative approach in estimating FY 2004-05 revenues, reduced reliance on limited-term revenues by \$23 million, and eliminated across-the-board reductions. By focusing on priority services, we have been able to make these adjustments and provide a balanced budget without increasing the total millage of 11.848 mills. The following graph and table indicate the millage rates for each taxing jurisdiction.



MILLAGE TABLE			
Taxing Unit	FY 2003-04 Actual Millage	FY 2004-05 Proposed Millage Rate	Percent Change From FY 2002-03 Actual Millage
Countywide Operating	5.969	5.969	0.0%
Miami-Dade Fire Rescue Service District	2.582	2.592	0.4%
Miami-Dade Public Library System	0.486	0.486	0.0%
Unincorporated Municipal Service Area (UMSA)	2.447	2.447	0.0%
Voted Millages -- Debt Service			
Countywide	0.285	0.285	0.0%
Fire Rescue District Special Obligation Bond	0.079	0.069	-12.7%
Sum of Operating and Debt Millages	11.848	11.848	0.0%

RESOURCING FOR RESULTS

We can no longer rely on a "Band-Aid," limited-term approach to address the structural difference between revenues and expenditures. A change in budgeting philosophy is necessary. The Resourcing for Results process that I described in my January 30, 2004, memorandum provides a substantive change to the way we budget and will help us develop long-term solutions to our structural imbalance.

As we began to prepare the FY 2004-05 Resource Allocation Plan, I worked with my staff, the staff of the Office of Strategic Business Management (OSBM), and our department directors to redirect our budgeting activity into a resource allocation process based on the County's Strategic Plan, the departmental business plans, and your priorities. In January, before I issued, as required by Ordinance 02-128 sponsored by Commissioner Morales, my twenty priorities for the new fiscal year, I met with each of you to discuss your priorities. Staff met with you again before the submission of this document in order to ensure that as many of your priorities as possible were addressed in our allocation plan. We also provided each Commission Committee budget information in April, and a budget workshop was held for the entire Board on May 27, 2004. Staff from the Office of Legislative Analysis were invited to participate in each resource allocation meeting. In addition, the new process will facilitate the sharing of budgetary information with the Commission Auditor's Office, once it is staffed and ready to review resource allocations.

Our departmental budget hearings have been changed into resource allocation meetings during which the discussions focus on the departmental business plans and priorities and how programs and activities funded in each department align with the goals identified in the Strategic Plan. Performance measures have been stressed so that it is clear what our constituents are buying with their limited resources and the community can measure the value of the purchased services. In addition, in order to make the allocation process as participative as possible, the OSBM staff and I met with my immediate staff and with all department directors to assess priorities and needs in line with the

County's strategic plan. Because our resource allocation review now focuses on priorities and performance measures, not line items, we have been able to incorporate the program review requirements of Ordinance 03-65, sponsored by Commissioner Souto, into our resource allocation development process and presentation. As with any new initiative, much has been learned from this new approach to budgeting and we will continue to improve the process based on our experience.

The presentation in the Proposed Resource Allocation Plan has been revised to reflect our new process. Although the presentation is by department, each department is linked to one or more of the seven strategic areas from the County's Strategic Plan. At the same time, more financial information is provided to reflect operating and capital recommendations. Several Commissioners have requested that line item details be incorporated into the budgetary presentation. A detailed line item budget is available for each cost center of each department; however, it is hundreds of pages long and provides little context for analysis. Therefore, to address the request, a separate section is provided for each department to highlight pertinent line item information. In addition, FY 2004-05 recommended appropriations for programs - personnel, operating expenses, and capital - are compared to FY 2002-03 actual experience and FY 2003-04 budgets to provide an historical context. Also included in the Proposed Resource Allocation Plan document are schedules detailing the tax roll values, millage calculations, municipal population and assessment rolls, summaries of revenues, expenditures, and positions, unmet needs, and other funding and strategic area summaries.

The changes in philosophy and process have not been easy to effectuate. Bringing about change is a process in itself. Much time and effort has been spent to train staff in the Results Oriented Government philosophy, the new resource allocation process, and in the purposes of Resourcing for Results. Both the process and the presentation are only first steps. This year's resource allocation process and its presentation will be reviewed and analyzed to be improved for next year. Departmental performance measures are refined continually.

In addition, we are developing a Community Scorecard based on our strategic goals to report our successes and areas for improvement to you and the community. The first Community Scorecard, which will include results from our community survey, analysis by bond rating agencies, and departmental performance measures is scheduled to be available by September 2004. Overall, our community survey indicated general approval of County services. Nevertheless, there is always room for improvement. By instituting an annual Community Scorecard report, it will be possible to track our progress in achieving our strategic goals and priority service objectives. It will also provide a basis for updating our Strategic Plan, which should begin in FY 2005-06.

RESOURCE ALLOCATION PRIORITIES

On January 30, I submitted to you my 20 recommended budget priorities for FY 2004-05. Those priorities can be aligned with the seven strategic areas of our Strategic Plan:

- **PUBLIC SAFETY**
 - Adequate training and equipment
 - Improvements in response and community policing
 - Reduced recidivism
 - Compassionate, high-quality animal services
- **TRANSPORTATION**
 - Timely implementation of the People's Transportation Plan
 - Improved reliability of transit service
 - Improved convenience, comfort, and aesthetics
- **RECREATION AND CULTURE**
 - Supporting recreation and culture programs and facilities

- NEIGHBORHOOD AND UNINCORPORATED AREA MUNICIPAL SERVICES
 - Roadway signage and signals and traffic calming
 - Right-of-way maintenance, including litter clean-up
 - Landscaping
 - Full implementation of the 311 Call Center
 - Timely and responsive services, including community-oriented delivery of services in UMSA and improved service through technology
- HEALTH AND HUMAN SERVICES
 - Addressing health and human services needs (children's programs, health insurance, intervention and prevention programs, meals for the elderly)
- ECONOMIC DEVELOPMENT
 - Providing quality jobs
 - Providing affordable housing
- ENABLING STRATEGIES
 - Well-maintained infrastructure
 - Financial stability
 - Skilled and motivated workforce – performance standards and training; gainsharing and managed competitions
 - Community outreach and awareness

Our goal is to focus resources to priority areas to achieve excellent service. Each of the 20 recommended priorities has been addressed through the Proposed Resource Allocation Plan. In most cases, resources have been provided to maintain the current level of services. We have worked hard to identify areas where efficiencies may be implemented so that we can do more with the same level of resources. In some cases, I have refocused resources in order to improve both the level and quality of services provided. Because our resources are not limitless, we are not able to fund all services at current year levels or to provide all service improvements that have been requested. As detailed in the attachment to this message and in the Proposed Resource Allocation Plan, overall, more than 95 percent of our service recommendations for FY 2004-05 remain at the same or a higher level than in FY 2003-04. However, choices have been made, and, in order to provide better service or maintain service in priority areas, services in other areas have been reduced.

THE LITTLE THINGS

Time and again, in meetings with you, encounters with the public, and discussions with staff, I hear the recurring theme that it is the "little things" that matter to our constituents. Improving streets and beautification were the most commonly stated desired improvements cited by respondents to our customer survey. Similarly, the Neighborhood and Unincorporated Municipal Service Area and Recreation and Culture strategic areas were the most cited during my budgetary discussions with each of you.

To address the needs in these areas, the Proposed Resource Allocation Plan includes additional funding for the Public Works Department, Park and Recreation Department, and for Cultural programming. Enhanced funding in the Public Works Department will improve response time to pothole complaints (\$507,000) and increase litter pick-up cycles (\$184,000). In addition, \$300,000 will be allocated to continue the expedited street sign replacement program. I have also asked staff to develop a plan for the creation of an Office of Community Image to coordinate the efforts of the Community Image Advisory Board in its efforts related to maintenance and aesthetic improvement of major roadways and transportation gateways. Increased maintenance and parks furnishings have been funded in the Park and Recreation Department (\$1.1 million). Funding available for allocation to cultural programs has been increased by \$750,000.

INTERNAL FUNCTIONS

In addition to placing emphasis on our external functions of providing a better place to live, I believe it is important to provide resources to improve our internal functions, as well. Our employees, the people that provide the services to our community, are our most important resource. We must provide customer service training to our workforce and give them the resources they need to offer excellent service. It is also important that our Employee Relations Department is well-resourced so that the employees may be hired expeditiously, trained well, and compensated accurately. To that end, I am providing additional funding in the amount of \$179,000 for three positions in Recruitment and Internal Placement and the phasing in of a Deputy Director in the Employee Relations Department and \$455,000 to fund technology related to the enhancement of the County's human resource systems.

SELECTED HIGHLIGHTS

With the implementation of Revision 7 to Article V of the State Constitution on July 1, 2004, the long awaited changes to the County's role in supporting the activities of the Courts and Clerk will be realized. The net fiscal impact to the County of the implementation is approximately \$7 million in savings. The County continues to fund its obligations as outlined in the implementing legislation, including facilities, security, and maintenance levels for information technology. The Proposed Resource Allocation Plan also includes \$2.776 million for local requirements and options. A surcharge on criminal traffic offenses has been implemented to fund court facility needs. This funding has been substituted as the pledge for bonds issued for court facility construction and renovation. Several new sources of revenue have been enacted to fund a portion of court innovations and technology, Law Library, Legal Aid, and Teen Court or juvenile diversion programs. Since the funding generated by these new sources does not fully cover these functions, we will be looking at potential efficiencies in these services. A study will be initiated in coming weeks regarding the consolidation of the Law Library into the Library District. This action has the potential of increasing the availability of legal research services to court patrons. We will also be assessing the Teen Court Program to maximize the use of available revenues. As we move through the implementation phase, we will continue to address issues as they affect the County budget, including fees and charges that may have a fiscal impact to the operation of the County Attorney's Office.

After an extensive and detailed review, which included discussions with the affected department heads, analysis of our various juvenile programs, and review of applied concepts, I have decided to combine our juvenile assessment and diversion programs, now located in the Juvenile Assessment Center and the Department of Human Services, into one department. The Proposed Resource Allocation Plan presents these programs as consolidated and estimates the savings at \$385,000. Since this reorganization requires a significant change in the structure to our Juvenile Services, I have asked the appropriate department heads along with the OSBM to work together over the summer to determine the proper structure of the new department and to review the recommended funding level. A full recommendation will be presented to you before the September budget hearings.

For the past several months, staff from OSBM has been performing an analysis of our Animal Services function. A preliminary report has been drafted addressing issues of organizational placement, management and funding; service priorities; facilities; and community relations and partnerships. Based on the preliminary conclusions, because I believe the function is not consistent with the mission of the Police Department, it is my intention to remove the Animal Services Division from that department. I believe strongly that professionals in the animal services field should manage animal shelters. It is also necessary to identify additional funding, and perhaps alternative funding sources, to support this function. In the Proposed Resource Allocation Plan, general fund support for Animal Services is recommended at \$1.9 million, an increase of 111 percent over the current year level and the function remains in the Police Department. The total Animal Services budget is \$6.76 million, a 21 percent increase over FY 2003-04. By September, I intend to present a modified recommendation on the organizational structure and placement of Animal Services, once studies undertaken by the Humane Society of the United States and by OSBM are finalized. Another study that will be issued shortly examines the many issues associated with merging public

safety (Police Department and Corrections and Rehabilitation) functions. The Proposed Resource Allocation Plan reflects fully independent public safety departments with separate administrative functions. A more detailed report will be submitted for your consideration prior to the September budget hearings.

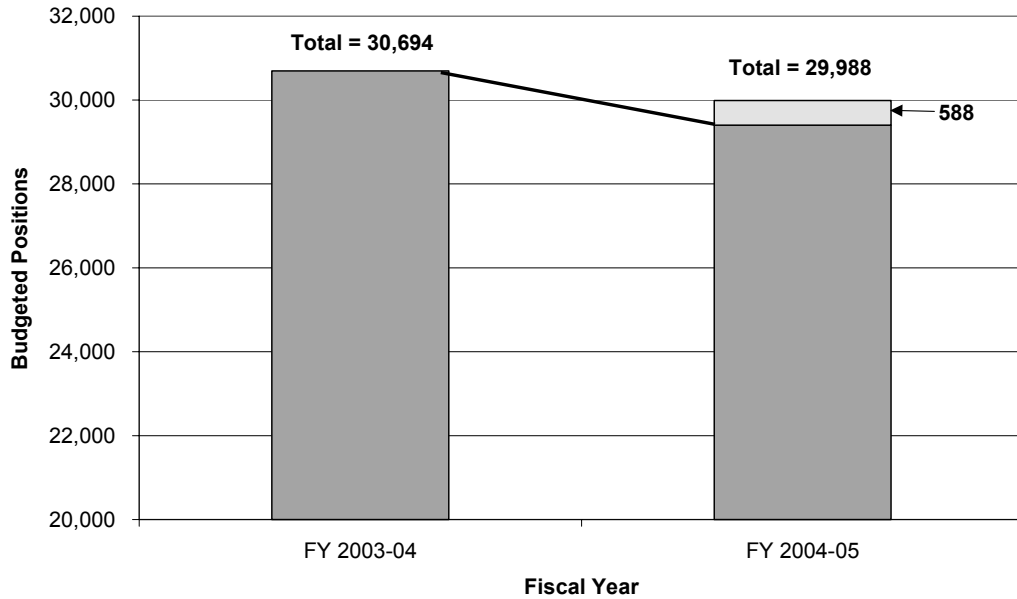
Another area in which I recommend further study be done is economic development and international trade. The local economy is very reliant on the jobs and dollars generated by trade with companies from around the world. It is crucial for the on-going economic vitality of our County to increase international trade in our region. We must seek opportunities both nationally and internationally to bring additional commerce to our community. Over the next several months, staff from the International Trade Consortium, OSBM, and my office will be analyzing the potential for additional resources to attract and retain international trade in Miami-Dade County. At the conclusion of that analysis, a report, which will include options for supporting these efforts, will be submitted to the Board for its consideration. The Proposed Resource Allocation Plan includes \$150,000 through the International Trade Consortium for the Florida International University Madrid Center. I will also be considering the implementation of an economic analysis unit in my Office to support activities aimed at improving the local economy.

In my January memorandum, I indicated that community outreach and awareness and timely and responsive services, including community-oriented delivery of services in UMSA and improved service through technology were important to me. In this Proposed Resource Allocation Plan, I have dedicated resources for the 311 Answer Center, both for operations (\$2.219 million) and technology (\$1.925 million). I have also provided funding (\$300,000) for additional code enforcement positions in Team Metro to address the needs of the growing UMSA population. I believe we can do more. Therefore, I have tasked my staff with reviewing customer service and code enforcement functions countywide to develop recommendations for improvements in these areas. I will be discussing this issue with each of you personally as the recommendations are finalized.

The FY 2004-05 Proposed Resource Allocation Plan does not require an immediate increase in water and wastewater rates. Among other adjustments that have been made to forestall an increase are replacing debt service reserves with an insurance policy, limiting funding transferred to the Renewal and Replacement Capital Fund, reducing the return on equity payment to the general fund by approximately 12 percent, and reducing other County internal transfers. The Department's five-year financial forecast and rate structure will continue to be updated and reviewed.

The attachment to this message summarizes the administrative and operational efficiency savings identified during preparation of the FY 2004-05 Proposed Resource Allocation Plan, as well as details regarding recommendations in each strategic area. The Proposed Resource Allocation Plan recommends a reduction in the number of positions, to 29,988 from 30,694. This net reduction results from the transfer of 1,387 employees as part of the Article V Revision 7 implementation and the decrease of 96 positions as a result of identified efficiencies. New positions were included to support the People's Transportation Plan (214), the Five-Year Capital Plan for the Water and Sewer Department (262), and increased services in the Fire Department and Library (see graph on top of next page). The total identified savings amounted to \$28.4 million, \$6.579 million in FY 2003-04, and \$21.807 million in FY 2004-05.

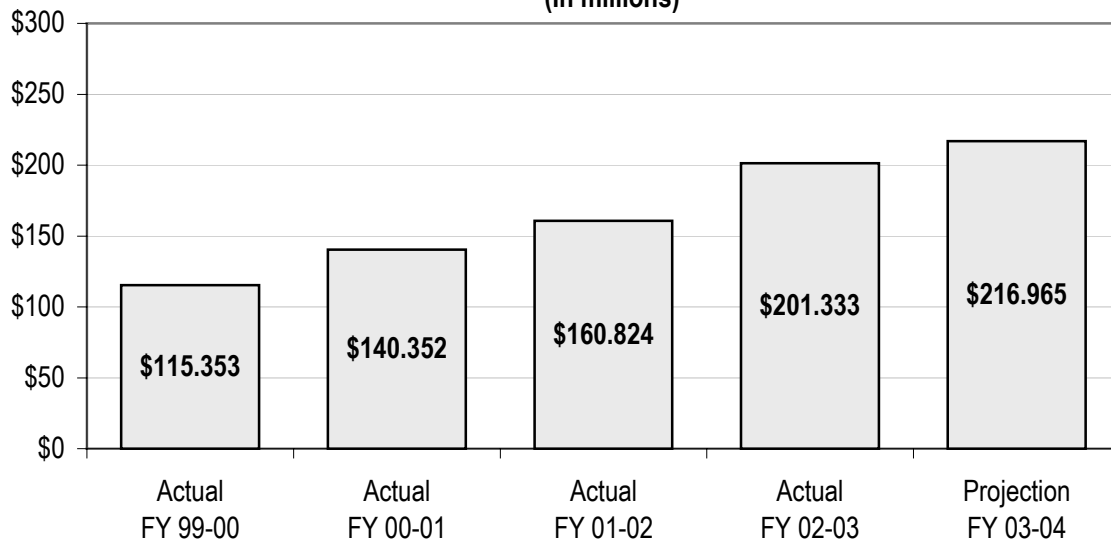
Position Changes from FY 2003-04 to FY 2004-05



EMPLOYEE COMPENSATION ISSUES

The cost of the contractual wage adjustments (four percent and a \$25 biweekly payment for most non-sworn employees in July 2004 and a three percent adjustment in July 2005) continues to outpace inflation. When the value of contractually required merit increases and the increasing cost of health insurance are included, personnel costs are anticipated to increase in FY 2004-05 by 7.5 percent.

Health Care Payments (In millions)



I believe it is important to treat all employees equally, but it is necessary to ameliorate the cost of the increase. Therefore, I recommend that the \$25 biweekly payments that were effective for employees covered by union contracts in July 2003, and July 2004, and that were not extended to non-bargaining unit employees be phased-in (\$25 in October 2004, and \$25 in October 2005) for all non-bargaining unit employees except those in executive grades 1, 2, and 3. That adjustment, when fully implemented, will eliminate a disparity in pay equity between bargaining unit and non-bargaining employees since this pay supplement was implemented. It is recommended employees in executive grades 1, 2, and 3 not receive the biweekly adjustments.

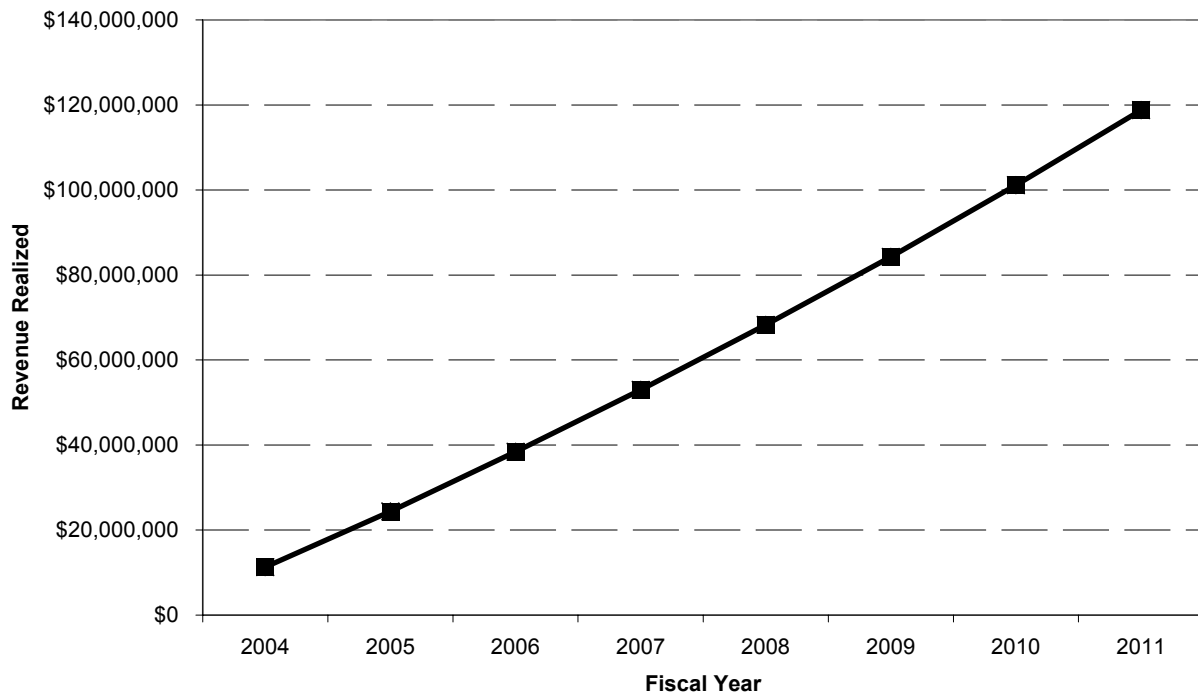
Many private and public organizations have implemented pay for performance systems in an attempt to motivate employees and better differentiate between expected performance and truly outstanding performance. Last fall, the County implemented a new performance evaluation tool for its senior executives. This tool incorporates measurable objectives into the appraisal process that account for fifty percent of an executive's annual review. The new appraisal system, which can be tailored to individual employees, provides a natural link to incentive pay. We are now looking at migrating senior executives to an incentive pay system that will link to measurable objectives. Based on our experiences with both the appraisal tool and the incentive pay system, we will more broadly implement these programs during fiscal year 2004-05. Ultimately, I would like to see an incentive pay system implemented across the County government that reinforces our drive for a results-oriented government. It takes time to make large changes in our corporate culture, and it may be several years before we fully implement an incentive pay structure. We also will be working with our health care insurers to develop alternatives to reduce the spiraling costs of health insurance without affecting service to our employees.

FINANCIAL STABILITY

The FY 2003-04 budget relied heavily on the historic methods for balancing the budget, including deferral of maintenance, across-the-board attrition increases regardless of service priorities, and internal fund transfers of limited-term revenues. In addition, a projected increase in interest earnings did not occur, as the Federal Reserve did not increase the federal funds rate as had been anticipated. The FY 2004-05 Resource Allocation Plan takes the first steps towards reversing these trends. As stated before, we have taken a conservative view in developing our revenue projections for next year. We have reduced our reliance on one-time, non-recurring revenues by 40 percent, to approximately \$39 million from \$62 million. Internal fund transfers have also been reduced - by approximately 50 percent in the General Services Administration alone – and internal charges to departments have decreased as noted previously. Continued growth in the tax roll has allowed some flexibility to address these concerns.

The Resource Allocation Plan identifies 0.105 mills in the Countywide General Fund to make the second payment to the Emergency Contingency Reserve. That Reserve was established this year and will have \$11.3 million on September 30, 2004; by September 30, 2005, the total is projected to be \$24.5 million. Over the next six to seven years, the reserve will grow to approximately \$120 million, which will provide a true contingency for emergency situations and will be an indication to bond rating agencies of the County's commitment to financial stability (see graph on next page).

Emergency Contingency Reserve



At the May resource allocation workshop, several of you requested information regarding adjustments that would be necessary if an aggregate rolled-back millage rate was adopted. The value of adjustments necessary to achieve the aggregate rolled-back rate of 7.989 mills was \$117.573 million across all four tax-supported budgets. The rolled-back rate is the State defined rate which allows no increase in property tax revenue except for that from new construction. We are completing our analysis of the adjustments that would be necessary to reduce allocations by that amount, and we will provide you with the effect at your July Committee meetings.

INCORPORATIONS

The 2004-05 fiscal year will be the first in which the new municipalities of Palmetto Bay, Miami Gardens, and Doral will not be included as part of the County's budget. Since the incorporation of Miami Lakes, approximately 20 percent of the then unincorporated area population now lives in new municipalities. Those new cities, pursuant to County policy, contract with the County for police services and remain in the Solid Waste Collection service area, the Fire Rescue District, and the Miami-Dade Library System.

In the fall of 2003, the level of police services to the City of Miami Gardens was reduced in accordance with a request from the City. The reduction resulted in the reassignment of 42 police officers to other duties in the unincorporated area. However, in April, Doral contracted for expanded police services that reduced the number of reassigned officers by eight; Palmetto Bay also requested a higher level of service, reducing the number of reassigned officers by five and Miami Lakes also requested an additional position. The cost of the net 28 police officers reassigned within the Police Department has been offset within budgeted uniform attrition.

Overall, the latest three incorporations have a minimal net effect on the Unincorporated Municipal Service Area (UMSA) general fund budget when the value of the police contracts and mitigation payments are considered. In total, revenues in the UMSA general fund budget are approximately \$46 million less than in FY 2003-04. However, the value of the police contracts, mitigation payments, reduced expenses for Team Metro, Park and Recreation Department, and Public Works Department are less than that amount. Certain services in the Police Department have not been reduced concomitantly with the population and revenue losses associated with the incorporations. As a result, the level of service and associated cost in the remaining unincorporated area has increased.

The cost of services provided to the Miami Gardens area when it was part of the unincorporated area was more than the value of revenues generated by the area. When the area incorporated, service levels were maintained until the municipality's elected officials could address the issue of appropriate service levels based on their municipal funding priorities. As part of its FY 2003-04 budget, the City reduced the level of services that were contracted from the County in order to balance its budget. As with all new municipalities, the value of transition services are negotiated prior to the interlocal agreements and contracts for police and other services are completed and brought to the City Council and County Commission for consideration. My staff and I are completing the negotiations with Miami Gardens, and we expect the agreements and contracts to be submitted to you before the end of the fiscal year.

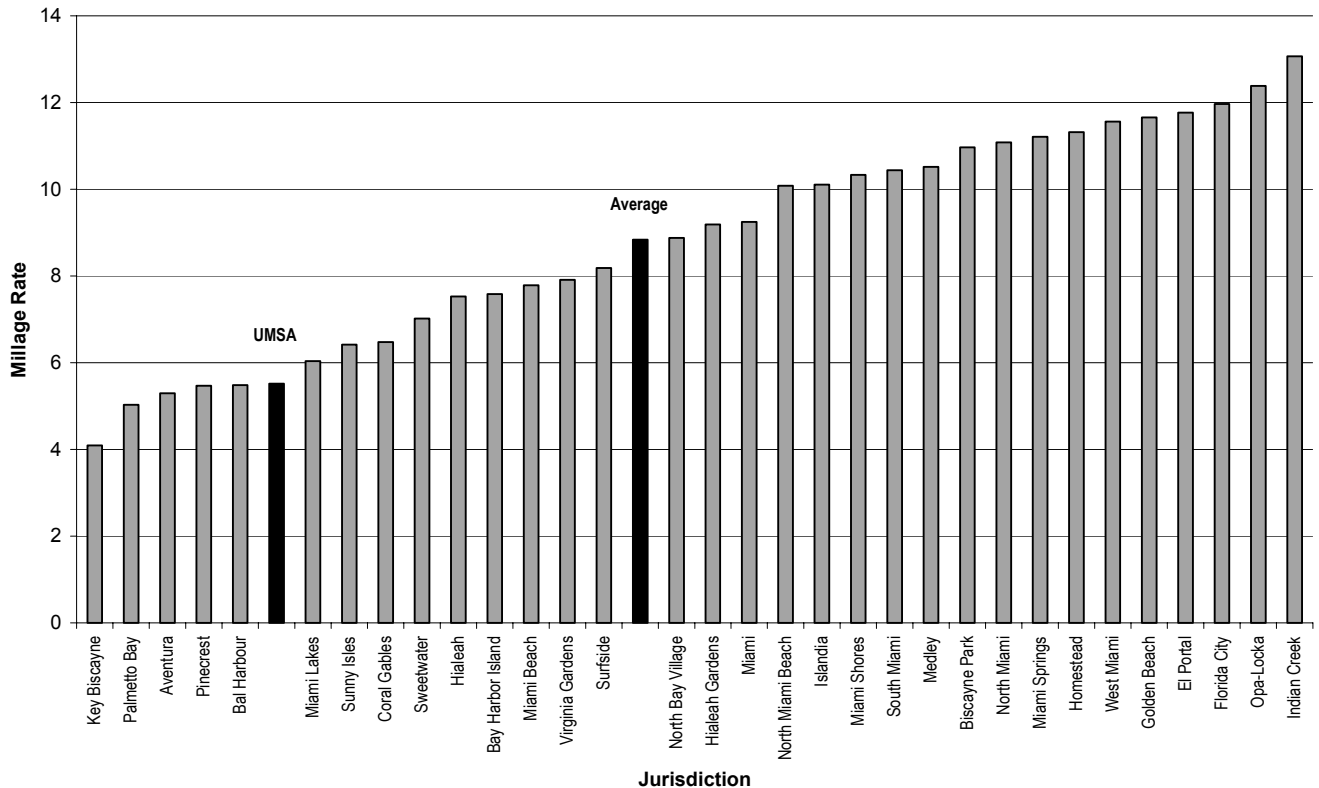
UMSA PURCHASE PACKAGES

The survey of our residents indicated a general satisfaction with County services but showed a demand for additional municipal type services in the unincorporated area such as beautification, community policing, local park programs, and additional code enforcement. Staff from the Police Department, Park and Recreation Department, Public Works Department, Planning and Zoning Department, and Team Metro, working with staff from my Office and OSBM are preparing service improvement programs targeted to the neighborhoods within each commission district. Those service improvements include:

- Community police activities linked to specific needs in each district such as increased enhanced enforcement activities, bicycle patrols, park security, prostitution sting operations, public housing drug intervention operations, etc.;
- Recreation programs targeted to senior citizens or children, such as ceramic classes, after-school programs, and sports programs;
- Renovations, repairs, and maintenance at parks to improve facilities and aesthetics;
- Additional inspection and patching of 1,400 sidewalks, grading, and additional 46 road shoulders and 68 minor pavement repairs; guarantee the removal of 90 percent of all dead trees and 80 percent of all safety trimmings within two days; additional drain cleaning services for 15,000 drains; pothole patching services on local roads; and additional inspection and repair of bridges in the unincorporated area;
- Increased Team Metro staff to provide additional code enforcement in the unincorporated area;
- Programs to implement charrettes; and
- Creation of an UMSA Emergency Contingency Reserve.

It is not possible to meet the demands for new and upgraded services within the available revenues. However, as the graph on the next page shows, the millage rate (5.515 mills) for the UMSA general fund, as adjusted for Fire Rescue District and Library District millage rates, is among the lowest in the County, and is 3.3214 mills below the municipal average of 8.8364 mills.

Municipal FY 2003-04 Operating Millage Rates (Adjusted for Fire and Library)



Therefore, I would urge the Board to consider a slight increase in the UMMA millage rate (each tenth of a mill is equivalent to \$4.737 million) in order to begin a phase-in of selected service improvements targeted to each Commission District. Any such millage increase would be linked to specific programs with performance measures. Such a program would be similar to the increase approved for the Library System for the construction of new facilities, the repair and renovation of existing facilities, and for additional books and materials.

Staff is completing a report detailing, by Commission District, the identified improvements, and outlining a proposed funding model. That information will be presented to the Committees in July as part of the budget presentation and staff will meet with each of you individually to discuss the programs targeted to your district.

COMMUNITY-BASED ORGANIZATIONS AND IN-KIND POLICY

The Proposed Resource Allocation Plan continues the policy from the current year requiring community-based organizations (CBOs) to apply for funding from appropriate sources through a competitive process. Allocations for the Alliance for Human Services, Environmental Programs, and Recreational Programs are recommended to increase to the annualized level equivalent to the allocations in the current year. In particular, the allocation for the Alliance for Human Services has been increased by \$3 million to a total of \$17.336 million. As noted previously, the general fund allocation to the Cultural Grants Programs have been increased by \$750,000 to a total of \$8.159 million.

Certain CBO programs that have been funded for several years do not directly meet the criteria for any of the existing competitive processes. Such CBO programs include the Victims' Services Center, Citizens' Crime Watch, and the American Red Cross services to families displaced by fire or natural disaster. Therefore, the Resource Allocation Plan recommends continued funding for those programs at the current year level.

Similarly, it is possible that once the competitive processes have been completed, and recommendations are available for your consideration in September at the budget hearings, some agencies that have been historically funded will be funded at reduced levels or, possibly, not funded at all because of allocation criteria or the lack of sufficient dollars available to the funding agencies. In FY 2003-04, nine-months continuation funding was provided to allow for participation in competitive processes and the Commission District Discretionary Reserve provided a "relief valve" to address such cases. A reserve is provided to allow for historically funded agencies that are negatively affected by the competitive processes (\$3 million). The Mom and Pop Grants Program and the Commission District Reserve are funded for a total of \$400,000 per District. A recommendation regarding eligibility and a simplified process for allocating these dollars will be provided to you at your September budget hearings.

As requested by the Board, the in-kind contributions for historically supported regional events have been included in the departmental allocations. Such events include the Martin Luther King parades and festivities in Homestead, West Perrine, and Liberty City, the Memorial Day Weekend on Miami Beach, and the Miami Tropical Marathon. An In-Kind Reserve of \$500,000 is recommended to reimburse general fund agencies partially for in-kind services for other events that are approved by the Board. As part of the budget update report for the September hearings, I will include recommendations for a more thorough staff review and recommendation process for in-kind requests.

GENERAL OBLIGATION BOND PROGRAM

We have also made significant progress in defining a general obligation bond program to be considered in July for placement on the November general election ballot. The Building Better Communities Bond Program has been developed to fund \$2.6 billion of infrastructure improvements and other quality of life needs for our community. The projects that have been identified as part of the Bond Program are important components necessary to achieve our strategic goals and will provide a legacy of well-maintained facilities and infrastructure for the future residents of, and visitors to, our community. You will be acting on these recommendations within the next few weeks. Although it is not part of the Proposed Resource Allocation Plan, should the Bond Program be approved in November, providing the resources to accomplish the goals of the program will become a principal priority.

CONCLUSION AND TIMETABLE

The Proposed Resource Allocation and Multi-Year Capital Plan and its Appendix are only two volumes in a set of documents provided to you and the community to describe the County's business and financial plans. A companion volume is the Miami-Dade County, Florida Annual Report to Bondholders, which details all of the County's bond issues and financings. After the September budget hearings are completed, we will prepare the FY 2004-05 Final Adopted Business and Resource Allocation Plan. As in FY 2003-04, that document will include the updated Five Year Financial Forecast that will begin to lay the groundwork for the FY 2005-06 Proposed Resource Allocation Plan. It is my intention to expand the Forecast to describe service level changes and funding options that will provide the resources needed to achieve our strategic goals.

In March, we issued the County's first Children's and Families' Budget as an addendum to the FY 2003-04 Budget. That document identified 113 County administered children programs and provided details on forty of those programs. As described in my June 11 memorandum to our department directors, it is my intention that the FY 2004-05 Children's and Families' Budget will provide details and performance measures for all County funded children's programs, including those offered through community-based organizations and other contract agencies. In addition, we will reach out to our partners in the community in order to include information on programs administered or funded

by other agencies, including the Children's Trust, School Readiness Coalition, Florida Department of Children and Families, South Florida Workforce, Miami-Dade County Public Schools, and the United Way. Not only will such a comprehensive document provide valuable information to the community, but it will also assist in our revenue maximization efforts by identifying grant opportunities. That document will be issued concurrent with the FY 2004-05 Final Adopted Business and Resource Allocation Plan.

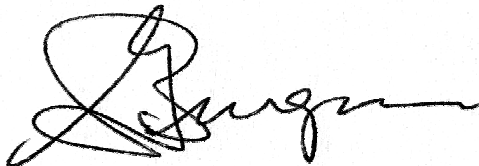
Pursuant to state law, the Board must establish preliminary millage rates before August 4, 2004. That action is usually taken at the second meeting in July. Prior to that date, the Mayor, in accordance with the Home Rule Charter, will present his response to the Proposed Resource Allocation Plan. The preliminary millage rates are used on the Notice of Proposed Property Taxes that will be mailed to each property owner in August. I remind you that state law, for all practical purposes, establishes the preliminary millage rates as maximum rates that cannot be increased, but only decreased at the budget hearings in September. I therefore urge you to adopt rates no lower than those recommended in this Plan in order to maximize your flexibility at the September budget hearings. It is recommended that those hearings be scheduled for September 7 and September 20 at 5 p.m. in the Commission chambers. As I did last year, I intend to provide a budget workshop package to each Commission Committee at its meeting in July, prior to the consideration of the preliminary millage rates.

Developing a budget has always been a team effort. Developing a Resource Allocation Plan linked to the County's Strategic Plan and departmental business plans and priorities is even more of a team effort. I want to thank each of you, Mayor Penelas, Commission Chair Carey-Shuler, and the members of the Commission for your participation, support, and guidance in this effort. The input received from individual meetings with each of you, as well as the information contributed as a result of the committee budget workshops, has been very valuable as we have put this Resource Allocation Plan together.

I want to thank my staff, the department directors, and the departmental staff without whose cooperation and efforts this document could not have been completed. I also want to thank the staff of the Communications Department and the Enterprise Technology Services Department who assisted in the preparation and presentation of the document.

I particularly want to thank David Morris, Jennifer Glazer-Moon, Hugo Salazar, Kathie Brooks, Rosalind Morgan, Ray Scher, Kevin Lynskey, Carlos Maxwell, Chris Rose, Gus Knoepffler, and all of the other members of the Office of Strategic Business Management for their work in re-engineering the budget process into Resourcing for Results. Each member of the Office is to be commended for the time, effort, and professionalism that went into preparing this document. The residents of the County are extremely fortunate to have such dedicated public servants.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Burgess", with a stylized, flowing script.

George M. Burgess
County Manager

Attachment

2004-05 PROPOSED RESOURCE ALLOCATION AND MULTI-YEAR CAPITAL PLAN
ATTACHMENT I
ADJUSTMENTS AND *EFFICIENCIES* BY STRATEGIC AREA

INTRODUCTION

The following adjustments and *efficiencies* are organized in accordance with our seven strategic planning areas and policy formulation function:

- Policy Formulation
- Public Safety
- Transportation
- Recreation and Culture
- Neighborhood and Unincorporated Area Municipal Services
- Health and Human Services
- Economic Development
- Enabling Strategies (“Budget and Finance” and “Government Operations”)

POLICY FORMULATION

- ❖ Two positions will be added to the County Attorney’s Office to assist the Property Appraiser with the Value Adjustment Board and challenge cases (\$149,000)

PUBLIC SAFETY

- ❖ *The Office of Emergency Management has implemented a data management and modeling system which will eliminate license fees and reduce maintenance expenses (\$26,000)*
- ❖ *The Corrections and Rehabilitation Department will implement a reorganization plan, reduce officers in administration, and realign sworn and civilian personnel; saving employee cost (\$4,000,000)*
- ❖ A new state law requiring the incarceration for a minimum of six months for habitual misdemeanants has been enacted by the Legislature; a \$1 million reserve will be set aside to cover the potential cost of this legislation
- ❖ By the end of FY 2003-04, the Fire Rescue Department (MDFR) will have added service at Miami Lakes West (advanced life support unit (ALS)), West Sunset (rescue unit), Bunche Park (ALS) and Tamiami (ALS); in FY 2004-05, new service is planned at Fontainebleau (ALS), Aventura (ALS), East Homestead (rescue), Honey Hill (ALS) and Redlands (ALS); another four suppression units

will be converted to Advanced Life Support units in accordance with the Department's ALS phase-in program

- ❖ *MDFR is implementing an automated system to track assignments and overtime through a centralized rostering software allowing better scheduling and utilization of personnel (\$2 million); the department will achieve savings in overtime by outsourcing training for new recruits (\$568,000) and by reducing department-wide special assignments (\$1.3 million)*
- ❖ *MDFR is implementing a series of savings initiatives, including a safety gear and helmet refurbishment program to reduce the need for new purchases (\$7,000), a self-study workbook for training modules to reduce personnel costs (\$150,000), telephone upgrades (\$50,000), and has implemented a virtual library to strengthen communications and maximize availability of information through e-mail and web pages, saving supply, personnel, and copying costs (\$10,000)*
- ❖ *MDFR has reduced vacancies and overtime by hiring, training and deploying approximately 144 certified firefighter and licensed paramedics during fiscal year 2003-04 instead of training and certifying new recruits to attain licensure (\$4.4 million)*
- ❖ *Heavy fleet maintenance costs in MDFR have been reduced by approximately \$2.5 million in the two fiscal years since implementation of the in-house maintenance program; the Memorandum of Understanding between GSA and MDFR set a savings goal of \$500,000; savings of \$850,000 are projected for FY 2003-04*
- ❖ *MDFR will complete the pilot Motorcycle Emergency Rescue Team (MERT) pilot project by April 2005; a full report will be provided to the Board with a recommendation regarding the MERT program*
- ❖ *The MDFR debt service millage rate can be decreased by 0.01 mills as a result of the Fire Rescue District Tax Roll increase in 2004; it is recommended that the amount be transferred to the Fire Rescue District operating budget to provide an additional \$859,000 that will help fund the increase in services; in order to reimburse the Fire Rescue District for the cost of providing administrative support to countywide activities, including Emergency Management, Ocean Rescue, Anti-Venom Unit, and Air Rescue, the Fire Rescue District's administrative reimbursement to the Countywide General Fund will be reduced by \$1.4 million*
- ❖ *MDFR has implemented a single drop-off point with the Building Department for commercial building plans which allows customers to view plans status and associated comments via the web, and automatically routes plans to the Fire Engineering Office, reducing trips previously made by customers; MDFR will interface the Department's Life Safety Permitting System with the Miami-Dade Property Appraiser's Office personal database, which will enhance information on commercial properties within the Fire Rescue District that require annual inspections*
- ❖ *The MDFR will implement a fire prevention pay incentive plan using qualified new hire personnel to perform inspections, saving in overtime costs (\$342,000)*
- ❖ *The replacement helicopter for Air Rescue 1 is anticipated to be operational in March 2005; an analysis of the Air Rescue program indicated that the optimum service level would be achieved by adding a fourth helicopter to the fleet allowing three helicopters to be available for service at all times under normal maintenance schedules; phasing of upgrades to the existing fleet and the addition of the new helicopter is recommended for FY 2005-06*

- ❖ *MDFR will reduce helicopter fuel costs by approximately \$0.25 a gallon by placing an above ground fuel tank at Kendall-Tamiami Executive Airport (\$25,000)*
- ❖ *The Miami-Dade Police Department (MDPD) will achieve capital and operational savings by purchasing front wheel drive vehicles which cost less and achieve greater fuel efficiency (\$500,000), will reduce 24-hour fleet assignments while maintaining operation coverage (\$100,000), will utilize some unmarked vehicles for an extra year (\$800,000), and will restructure its fleet of rental cars to achieve lower rental cost and operational efficiencies (\$250,000)*
- ❖ Enhanced Enforcement Initiatives in MDPD will be reduced from \$14.8 million to \$13.04 million due to lower Local Law Enforcement Block Grant revenue (\$1.46 million) and incorporations of Palmetto Bay, Miami Gardens, and Doral (\$300,000); EEIs in new municipalities are budgeted at \$1.2 million; non-EEI overtime will remain at \$24.3 million, for a total overtime budget of \$37.3 million
- ❖ Approximately \$54.2 million will be received to support police services through contracts with cities or mitigation payments in FY 2004-05, an increase of \$42.6 million from the FY 2003-04 level
- ❖ MDPD will begin a phased pay-as-you-go program to replace all four helicopters during the next four years; the first year (FY 2004-05) cost is \$700,000
- ❖ *In accordance with the U.S. 1122 Florida Counter-Drug Procurement Program and Federal Public Law 108-136, MDPD will access federal contracts for best pricing and expedited purchasing of specialized police and Homeland Security equipment, resulting in a first-year savings of \$50,000*
- ❖ *The Medical Examiner Department is implementing better controls for inventory management that will lead to lower expenditures for supplies (\$55,000)*
- ❖ The Proposed Resource Allocation Plan includes funding to purchase body and evidence bags to maintain legal chain of custody related to deceased, medicines, valuables, and police reports to reduce risk of theft and potential litigation (\$39,000)
- ❖ State funding will be pursued for the DUI toxicology services currently funded by the County and contracted from the University of Miami (\$406,000); this function is a state responsibility and funded by the State in other jurisdictions; discussions continue to identify funding for FY 2005-06, while ensuring the current service level
- ❖ The Resource Allocation Plan includes \$11.7 million as mandated by the State for the County to pay the costs of pretrial juvenile detention
- ❖ The hiring of a Homeland Security Advisor will augment the homeland security function provided by the Office of Emergency Management

TRANSPORTATION

- ❖ The commitment made in the current year to increase the general fund support to the Transit Agency by 3.5 percent per year is continued; the recommended allocation, including the Regional Transportation Authority and Tri-Rail, is \$122.612 million, which when added to the current year's allocation, is a total of \$10.7 million more than the minimum maintenance of effort level identified for the Transit Agency when the People's Transportation Plan was approved by the voters

- ❖ The Port of Miami continues its 2020 Master Implementation Plan which includes over \$370 million of infrastructure improvements allowing for the capacity to double its cruise and cargo business; the average fee per cargo vessel will increase by 1.84 percent, all other Seaport fees and charges will increase according to contractual agreements
- ❖ The Aviation Department will continue its Capital Improvement Program, with an estimated \$743 million in construction scheduled for FY 2004-05; various aviation-related fee increases for airlines and related aviation parties are recommended; information regarding landing fees will be available before the September budget hearings
- ❖ *The Consumer Services Department (CSD) has begun accepting chauffeur registration renewal applications by mail reducing the required number of chauffeur office visits by one (\$31,000); the Department will generate savings in staff time by reducing the Taxi Cab Apprentice Program and by eliminating the Mentoring Program (\$28,000)*

RECREATION AND CULTURE

- ❖ *Metrozoo's maintenance function will improve by implementing various operational efficiencies and supervisory oversight through a team/zone approach to Exhibits and Grounds Care (\$70,000)*
- ❖ *Metrozoo will replace one full-time with two part-time positions in the reception area, providing flexibility that ensures coverage of reception areas seven days per week and at the same time generate personnel savings (\$7,000)*
- ❖ *The Park and Recreation Department (P&R) will consolidate various responsibilities in contracts management, finance, information technology and operating divisions, saving personnel costs while maintaining current service levels (\$409,000)*
- ❖ Funding for park operations advertising was reduced by \$150,000 to \$616,000, and Miami Metrozoo advertising was reduced by \$135,000 to \$900,000; the Communications Department will work with the Park and Recreation Department to develop marketing and public information program options that will mitigate the reduction
- ❖ Additional funding is recommended (\$1.1 million) to fund facility maintenance and park furnishings; the Capital Outlay Reserve includes another \$10.329 million for renovation and improvement of existing facilities, the inspection and repair of field lighting, the Tamiami Park joint project with the Miami-Dade Fair and Exposition, Inc., environmental projects, sewer connections, 40-year building re-certification, and the Carol City Community Center
- ❖ The FY 2003-04 budget included the re-classification of 14 parks (A.D. Doug Barnes, Amelia Earhart, Homestead Air Reserve, Ives Estates, Ives Estates Tennis Center, Kendall Indian Hammocks, Kendall Soccer, Lakes by the Bay, Roberta Hunter Park, Southridge, Tamiami, Tree Island, Tropical, and West Kendall District Park) into regional parks funded from countywide revenues; several capital projects at those parks were funded through the Quality Neighborhoods Improvement Program (QNIP); to avoid project delays, it was determined that the projects could proceed and the debt service payment for the portion of the QNIP funding represented by those projects is recommended to be paid by countywide funds (\$894,000)
- ❖ Recommendations are made for miscellaneous increases to P&R fees, including Crandon Park and Haulover Park parking (from \$4.00 to \$5.00) and Deering Estate permits for film and photo shoots; fees are also recommended for new services and programs at campgrounds, cultural

- facilities, and other parks; admission fees at Metrozoo will be adjusted for adults by \$0.29 (to \$11.50) and by \$0.21 (to \$6.75) for children; new Metrozoo fees are proposed for several revenue initiatives, including the safari cycles, monorail surcharge, and animal feeding stations; and greens fees adjustments are recommended at various golf courses to reflect market conditions
- ❖ The Country Club of Miami is now operating under the administration of P&R; the repairs to the West Course have been completed; various fee adjustments are recommended, including increases to greens fees during the Winter season and fee reductions for the off season (\$700,000); in general, regular customers playing once a week during the Summer will experience a reduction of \$27.50 in greens fees, while the same customer playing during the Winter will see an increase of \$18.00
 - ❖ The Library Department continues to dedicate 0.135 mills to develop new libraries, renovate existing facilities, and purchase new books and materials (\$17.023 million in FY 2004-05)
 - ❖ The Library Department has partnered with the City of Sunny Isles Beach and City of Miami Beach to build and operate two new library facilities, the Sunny Isles Beach Branch and the Miami Beach Regional Library; the South Shore Branch library will be relocated to a new and larger facility in the South Beach area in FY 2004-05
 - ❖ The Fairchild Tropical Gardens is recommended for treatment as an exhibition center on County property, similar to the Miami Art Museum, the Science Museum, and the South Florida Historical Museum; as such, it is recommended that general fund support remain at the same level (\$378,000) in FY 2004-05 as in FY 2003-04
 - ❖ At the Mayor's January 2002, Economic Summit II, participants recommended that the Cultural Affairs Department general fund support be increased by \$5 million over four years; the Proposed Resource Allocation Plan recommends \$750,000 in additional funding; since the Summit, Countywide General Fund support to the Department has increased by \$2.73 million; the additional funding allows the Department of Cultural Affairs to increase support for major cultural institutions and strengthens the operating support available through its other core grants programs

NEIGHBORHOOD AND UNINCORPORATED AREA MUNICIPAL SERVICES

- ❖ *The Department of Environmental Resources Management (DERM) has increased its fleet of 24-hour vehicles allowing field staff to deploy directly to inspection sites (\$375,000), purchased a new lab metal analyzer which improves productivity (\$72,000), and instituted a process to transfer lab data from instruments to a sampling system which improves productivity (\$40,000)*
- ❖ Matching funds for the Federal Emergency Management Agency (FEMA) drainage improvements will be provided with the previously approved FY 2003-04 and FY 2004-05 Stormwater Utility fee adjustments without the need for any additional increases; funding (\$3.5 million) is recommended in the COR to fund the County's FY 2004-05 local match for the Miami River Dredging Project; funding also is available to complete the Watershed study that will identify agricultural land that should be protected from development
- ❖ Funding is provided for beach renourishment projects in the Building Better Communities Bond Program; if that program fails, reserve funds (\$5 million) from the Capital Outlay Reserve (COR) will be available to continue the County's beach renourishment plan

- ❖ DERM, through its Division of Recovery and Mitigation, will complete a \$725 million roadway reconstruction, drainage replacement, and canal dredging project on schedule, and within budget; this important program, primarily funded by FEMA, will dramatically reduce the County's drainage problems that were evident during Hurricane Irene (1999) and the "No-Name Storm" (2000); the project includes dredging 187 canal miles and establishing over 60,000 new drains
- ❖ *The Building Department, in coordination with GSA, will install energy monitoring devices for most of the electrical equipment at the Miami-Dade County Herbert S. Saffir Permitting and Inspection Center Building leading to reduced energy consumption (\$160,000) and begin using an Interactive Voice Response System directing customers to the proper area without personnel help saving staff time and costs (\$123,000)*
- ❖ The Building Department is proposing selected changes to its fee structure to cover the expenses of performing reviews and inspections on a variety of permit requests; permit fees for commercial and residential windows, storm shutters, awnings, and canopies will be adjusted; it is recommended that new charges be implemented to cover costs associated with performing microfilm research and providing copies of shop drawings to customers
- ❖ *It is recommended that the Building Department office at the South Miami-Dade Government Center be closed and that plans be accepted by Team Metro at that location and at the Northwest Miami-Dade County Team Metro regional office; the Department has found that it costs three and a half times more to process plans through the office at the South Miami-Dade Government Center than it does at the Miami-Dade County Herbert S. Saffir Permitting and Inspection Center Building, which is only 20 minutes away at 11805 S.W. 26 Street (\$179,000)*
- ❖ The Public Works Department (PWD) will continue design and installation of school crossing flashing signals (up to 30 installations annually), electrical inspection of 4,000 streetlights, retrofit of 3,700 streetlights, installation and replacement of 15,000 street-name signs (88 percent increase from the current year), and installation of illuminated street signs at 17 major intersections; guardrail maintenance and replacement will be enhanced (\$255,000), and sign replacements will be expedited (\$300,000); \$550,000 has been allocated to continue the Safe Light Pilot program (40 circuits in flood prone areas with high pedestrian traffic will be retrofitted); and additional funding of \$184,000 is provided to increase the number of litter pickup cycles
- ❖ *The renegotiation of the data circuit contract, in the Traffic, Signs, and Signals Division of the PWD generated a contractual recurring savings of \$1.056 million*
- ❖ The PWD will phase-in an additional pothole patching crew that, once fully implemented, will allow for response times to be reduced to one day from the current response time of two
- ❖ Three in-house crews and outside contractors will be added to PWD, funded with stormwater utility fees, to perform drain cleaning in the unincorporated area, reducing the cleaning cycle from once every 15 years to once every eight years
- ❖ The Secondary Gas Tax funding for maintenance in PWD will be phased out over a two-year period, with the amount of capitalized maintenance reduced by \$9 million in FY 2004-05
- ❖ *Solid Waste Management (SWM) will expand an automated garbage collection pilot program saving personnel-related costs of \$2.015 million*

- ❖ SWM will improve bulky waste pickup services by expanding the current single pickup of up to 50 cubic yards of trash to two pickups of up to 25 cubic yards each; this change will allow the customers the same service level if they wish to make the two pickups simultaneously but will provide increased service for users who have the need for more frequent, but smaller, pickups; the Department is reviewing the potential for scheduled bulky waste pickup sweeps and analyzing the potential for more frequent hazardous materials collection days
- ❖ *The Miami Gardens Trash and Recycling Center will be closed; analysis of current Trash and Recycling Center sites indicates that the Miami Gardens Center can be closed while maintaining SWM's goal of locating the centers within five miles of all customers; this closure will save \$410,000 without reducing overall performance levels*
- ❖ *WASD will redesign and install irrigation pumps with higher capacity, using in-house personnel saving contractor costs (\$400,000), and also use in house personnel to repair head plumbing in monitor wells (\$200,000), fiberglass digester covers will be repaired rather than replaced (\$700,000), and transmission main rehabilitation of influent pipes will be accomplished by WASD personnel (\$600,000); new Neptune meter gaskets will be created to replace parts no longer available, instead of purchasing new meters (\$160,000); and specifications for "Dig and Replace" contracts will be drafted by WASD personnel instead of an outside contractor (\$40,000)*
- ❖ Planning and Zoning Department staff will be meeting with the developers over the next several weeks to explore the possibility of a zoning application surcharge to defray costs associated with supporting the neighborhood Zoning Appeals Board; a final recommendation will be made prior to the September resource allocation hearings
- ❖ The Proposed Resource Allocation Plan includes \$300,000 for three charrettes
- ❖ Because of the importance of the agricultural industry to Miami-Dade County, an Agricultural Liaison position is being established to facilitate the implementation of the recently released agricultural and rural area study produced by a team of nationally recognized experts headed by Duane Plater-Zyberk and Company
- ❖ The 311 Answer Center, which is funded in Team Metro (\$2.219 million), ETSD (\$1.035 million) and COR (\$890,000) will open in November and is expected to respond to an estimated 1.1 million telephone calls per year; the Center will also receive calls for the City of Miami, and, over time, become a regional service to all municipalities as well as the unincorporated area
- ❖ Additional funding has been provided for five code enforcement positions in Team Metro to address the increased service needs due to a growing Unincorporated Municipal Service Area population
- ❖ The Quality Neighborhoods Improvement Program (QNIP) will be adjusted; the categories of spending (drainage, resurfacing, parks, and sidewalks) will be merged in Phases I and II as they already are in Phases III and IV to provide County Commissioners and staff more flexibility to meet the needs of each individual Commission District; the sale of the Phase IV bond will be delayed until the funds are actually needed

HEALTH AND HUMAN SERVICES

- ❖ CAA will complete construction of the new Opa-Locka Head Start Center with a capacity for 120 slots in FY 2005-06 (\$2.527 million); work on the architectural and design portion of the North

- Miami Head Start Center to be completed in FY 2005-06 (\$3.056 million), evaluate possible locations for a new Head Start Center in the western portion of the County to be completed in FY 2006-07 (\$3.056 million); and will complete the replacement of Head Start Program trailers located at several locations throughout the County by December 2004 (\$4.045 million)
- ❖ *The Department of Human Services Office of Rehabilitation Services will realize operational efficiencies by relocating to a larger facility that allows more group sessions simultaneously, thereby reducing overhead expenditures (\$178,000)*
 - ❖ *The Department of Human Services will merge two divisions and eliminate one Division Director and administrative secretary in Youth and Family Services (\$178,000)*
 - ❖ Funding is included in the non-departmental section of the Resource Allocation Plan for the Summer Youth Employment Program that is administered by the Health and Human Services Alliance for Human Services and monitored by DHS (\$1 million, 984 youths)
 - ❖ *MDHA will use software system to automate the waiting list which saves personnel costs (\$115,000)*
 - ❖ The changes in state Medicaid payments are a concern and challenge for the Public Health Trust; reimbursements in FY 2004-05 are projected to be \$12 million less due to changes in State legislation; the cost of indigent medical care has been increasing by approximately 12 percent per year since FY 2000-01 and the non-reimbursed share has been increasing by approximately 29 percent per year; the effect of uncapped medical malpractice claims on the symbiotic relationship between the Public Health Trust and the University of Miami Medical School are also of concern; staff from my office will be working with staff from the Public Health Trust to develop options for your consideration before the September budget hearings
 - ❖ The Homeless Trust will provide an additional 120 beds to the existing continuum of care inventory, for a total of 4,003 Permanent and Transitional Housing units, funded by federal grants
 - ❖ The Head Start program operated by the Community Action Agency (CAA) is being challenged by minimum growth in federal support (to \$49.629 million from \$49.472 million) that is not sufficient to offset the cost increases faced by the County; to maintain services at the level of 6,528 Head Start slots and a school year of 175 days (which is five days more than in FY 2001-02), it is necessary to either over-match the federal funding or to place more children in delegate agencies; CAA staff is working to identify the number of delegate agency slots that are available; and operating support is also being sought from the Children's Trust
 - ❖ *CAA will move approximately 115 Head Start/Early Head Start slots to delegate agencies thereby saving \$400,000 and eliminating 15 positions; this move is necessary to maintain the current level of services in light of federal funding not covering increased operating costs*

ECONOMIC DEVELOPMENT

- ❖ *The Consumer Services Department has implemented a pilot program to develop and distribute newsletters electronically rather than in paper format to Cooperative Extension clientele with e-mail capability to save personnel time, duplication costs, and postage (\$10,000)*
- ❖ Consumer Services is eliminating one Consumer Protection enforcement officer in FY 2004-05 (\$45,000) reducing inspections by eight percent annually

- ❖ Community Development Block Grant funding (\$6.925 million) is expected to support programs administered by County departments, including Community Action Agency (\$761,000), Department of Human Services (\$739,000), Team Metro (\$542,000), Office of Community and Economic Development (\$3.89 million), and the Office of Historic Preservation (\$150,000)
- ❖ The Proposed Resource Allocation Plan includes additional funding (\$191,000) for the Office of Community and Economic Development to support economic development-related activities
- ❖ The remaining matching funds for the Beacon Council's Miami 2000 initiative (\$2.5 million) will be allocated over FY 2004-05 and FY 2005-06, with \$500,000 budgeted for FY 2004-05, in order to help promote Miami-Dade County as a business location.
- ❖ Job training through the Greater Miami Service Corps continues at the same level (ten teams), including two teams partially subsidized by a General Fund contribution (\$189,000) through the Community Action Agency as matching funds to reduce the cost of hiring a GMSC team by operating agencies

ENABLING STRATEGIES

- ❖ *The Department of Procurement Management will consolidate into one division the competitive acquisition unit and the processing of non-IT related bids and RFPs; eliminate one Division Director position (\$142,000); an additional vacant Division Director position will be eliminated by transferring all functions to the Department Director's Office (\$132,000); the User Access Program (UAP) is expected to generate \$2.4 million for the operation of the Department*
- ❖ *The General Services Administration will eliminate one Utilities Superintendent without impact to services (\$61,000)*
- ❖ *The Enterprise Technology Service Department (ETSD) will consolidate customer service functions, reduce overhead expenses, reduce 29 positions, and reduce software license fees without impacting the level of service (\$4,726,000)*
- ❖ The Proposed Resource Allocation Plan includes funding from the Office of ADA Coordination for the Outreach Intern Program, which will provide internship opportunities to disabled individuals (\$145,000)
- ❖ The Office of Fair Employment Practices has been allocated additional funding for a Training Specialist II and training supplies/equipment to develop curriculum, provide training in equal employment policies and practices (\$100,000); additional funding is provided to increase administrative support (\$50,000)
- ❖ The Employee Relations Department will continue to ensure that employees are hired expeditiously, trained well, and paid accurately through the hiring of three positions in the Recruitment and Internal Placement unit (\$108,000); the Department will also benefit with the additional administrative and operational support to be brought by the hiring of a Deputy Director (\$71,000); technology related to the enhancement of the County's human resource systems will be implemented with additional funding of \$455,000

- ❖ General fund support for the County Manager's Summer Internship Program in ERD will continue at current year levels (89 youths; \$150,000)
- ❖ Capital Improvements Construction Coordination (CICC), the Department of Business Development (DBD), portions of the Department of Procurement Management (DPM), and the Office of Strategic Business Management (OSBM) will continue to be funded by the Capital Working Fund, which charges capital projects for the cost of services provided to them; because of concerns expressed by certain departments, the methodology for assessing the Capital Working Fund charges will be revised to better reflect the services provided for each project; staff of the OSBM will work closely with the affected departments to refine these calculations over the summer
- ❖ The Proposed Resource Allocation Plan includes one additional position for CICC to maintain turnaround time for contracts, anticipating a workload increase due to implementation of the People's Transportation Plan (\$59,000)
- ❖ For the November general election, funding is provided to assure the integrity of the election and to allow for 15 days of early voting; the cost of the November election is estimated to be \$3.2 million; staff from most County departments will be used, as necessary, to support the elections process
- ❖ Funding for two additional positions in the Property Appraisal Department's Personal Property Cut Out Unit (\$100,000) will allow the Department to comply with recent changes in State law regarding the response time on requests for changes to the certified personal property assessments; the Department will comply with the required 30-day response time